

HOUSE BILL 2020  
By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Titles 7, 9, 12 and 49, relative to bonds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-34-109(b) is amended by deleting the language "not exceeding forty (40) years from their respective dates," and by substituting instead the language "not exceeding forty (40) years from their respective dates provided that each year any such bonds are outstanding following the period of construction or improvement the local government shall retire principal on the bonds in an amount that is estimated to be at least equal to an amortization which will reflect approximately level debt service,".

SECTION 2. Tennessee Code Annotated, Section 7-82-501(a) is amended by deleting the last sentence and by substituting instead the sentence:

Each district has the power and is hereby authorized from time to time to issue its revenue refunding bonds in the manner provided for a local government in title 9, chapter 21, provided that each year any such refunding bonds are outstanding the district shall retire principal on the bonds in an amount that is equal to or greater than the principal maturities of the bonds being refunded.

SECTION 3. Tennessee Code Annotated, Section 7-82-502(a) is amended by deleting the language "not exceeding forty (40) years from their respective dates," and by substituting instead the language "not exceeding forty (40) years from their respective dates provided that each year any such bonds are outstanding following the period of construction or improvement the board shall retire principal on the bonds in an amount that is estimated to be at least equal to an amortization which will reflect approximately level debt service,".

SECTION 4. Tennessee Code Annotated, Section 7-86-114(c) is amended by deleting the language “not exceeding forty (40) years from their respective dates,” and by substituting instead the language “not exceeding forty (40) years from their respective dates provided that each year any such bonds are outstanding following the period of construction or improvement the district shall retire principal on the bonds in an amount that is estimated to be at least equal to an amortization which will reflect approximately level debt service,”.

SECTION 5. Tennessee Code Annotated, Section 9-21-213(a) is amended by deleting the language “not exceeding forty (40) years from their respective dates,” and by substituting instead the language “not exceeding forty (40) years from their respective dates provided that each year any such bonds are outstanding following the period of construction or improvement the local government shall retire principal on the bonds in an amount that is estimated to be at least equal to an amortization which will reflect approximately level debt service,”.

SECTION 6. Tennessee Code Annotated, Section 9-21-305(a) is amended by deleting the language “not exceeding forty (4) years from their respective dates,” and by substituting instead the language “not exceeding forty (40) years from their respective dates provided that each year any such bonds are outstanding following the period of construction or improvement the local government shall retire principal on the bonds in an amount that is estimated to be at least equal to an amortization which will reflect approximately level debt service,”.

SECTION 7. Tennessee Code Annotated, Section 9-21-907(a) is amended by deleting the language “not exceeding forty (40) years from their respective dates,” and by substituting instead the language “not exceeding forty (40) years from their respective dates provided that each year any such refunding bonds are outstanding the local government shall retire principal on the bonds in an amount that is equal to or greater than the principal maturities of the bonds being refunded,”.

SECTION 8. Tennessee Code Annotated, Section 9-21-1006(a) is amended by deleting the language “not exceeding forty (40) years from their respective dates,” and by substituting instead the language “not exceeding forty (40) years from their respective dates provided that each year any such revenue refunding bonds are outstanding the local government shall retire principal on the bonds in an amount that is equal to or greater than the principal maturities of the bonds being refunded,”.

SECTION 9. Tennessee Code Annotated, Section 12-10-111(a) is amended by deleting the language “not exceeding forty (40) years from the date thereof,” and by substituting instead the language “not exceeding forty (40) years from the date thereof provided that each year any such bonds are outstanding following the period of construction or improvement the authority shall retire principal on the bonds in an amount that is estimated to be at least equal to an amortization which will reflect approximately level debt service,”.

SECTION 10. Tennessee Code Annotated, Section 12-10-111(g) is amended by deleting the language “due serially or otherwise.” and by substituting instead the language “due serially or otherwise provided that each year any such refunding bonds are outstanding the authority shall retire principal on the bonds in an amount that is equal to or greater than the principal maturities of the obligations being refunded. ”.

SECTION 11. Tennessee Code Annotated, Section 12-10-116(b) is amended by deleting the language “under title 9, chapter 21, parts 9 and 10.” and by substituting instead the language “under title 9, chapter 21, parts 9 and 10, provided that the annual principal amortization of such lease, loan agreement, sales contract or operating contract is equal to or greater than the annual principal amortization of the outstanding bonds being refunded.”.

SECTION 12. Tennessee Code Annotated, Section 49-3-1002(d) is amended by deleting the language “not more than forty (40) years from the date of their issuance,” and by substituting instead the language “not more than forty (40) years from the date of their issuance

provided that each year any such bonds are outstanding following the period of construction or improvement the county legislative body shall retire principal on the bonds in an amount that is estimated to be at least equal to an amortization which will reflect approximately level debt service,”.

SECTION 13. This act shall take effect upon becoming law, the public welfare requiring it.